

CHARGE

RESOLVES OF MAINE Second Regular Session of the 120th

CHAPTER 80 S.P. 733 - L.D. 2043

Resolve, to Study School Administrative Unit Organization in Maine

Sec. 1. Study group established. Resolved: That the Department of Education and the State Board of Education shall convene a study group to develop recommendations for state actions that would provide adequate instructional opportunities for all students to achieve the State's learning results while also ensuring a high level of operational efficiency; and be it further

Sec. 2. Study group membership. Resolved: That the Commissioner of Education and the Chair of the State Board of Education shall jointly appoint members of the study group from a list of candidates recommended by the nominating authorities as specified in this section. In nominating members to the study group, the nominating authorities shall select nominees who have experience working with, or special knowledge of, one or more types of school administrative units or regional collaboratives. In appointing members to the study group, the Commissioner of Education and the Chair of the State Board of Education shall give proper consideration to achieving statewide geographical representation. The membership of the study group includes, but is not limited to, the following members:

1. Two superintendents appointed from a list of superintendents recommended by the Maine School Superintendents Association.
2. Two school board members appointed from a list of school board members recommended by the Maine School Boards Association;
3. Two elected or appointed municipal officials appointed from a list of elected or appointed municipal officials recommended by the Maine Municipal Association;
4. One teacher appointed from a list of teachers recommended by the Maine Education Association;
5. One principal appointed from a list of principals recommended by the Maine Principals' Association;
6. Two members of the general public;
7. One member from the Department of Education; and
8. One member of the State Board of Education; and be it further

Sec. 3. Chairs; convening of study group. Resolved: That the Commissioner of Education and the Chair of the State Board of Education shall jointly appoint co-chairs of the study group. When the appointment of all study group members is complete, the

co-chairs of the study group shall call and convene the first meeting of the study group; and be it further

Sec. 4. Study group duties. Resolved: That the study group shall consider issues and make recommendations related to providing the organizational structure and functions that can provide adequate instructional opportunities for all students to achieve the State's learning results while also ensuring a high level of operational efficiency. In accomplishing its duties, the study group shall:

1. Research the history of regionalization in the State by the formation of districts and participation in regional collaboratives, including but not limited to implementation of the Sinclair Act, Maine Revised Statutes, Title 20-A, chapter 103, subchapters I and II. This history must consider demographic data of school administrative units and of regional collaboratives, their organizational structures and functions and how key decisions are made. The history must also characterize the instructional opportunities and operational efficiencies that are associated with different types of school units and regional collaboratives;
2. Investigate other research regarding school administrative units and regional collaboratives in other states and identify findings that may be applicable in the State;
3. Recommend incentives that the State could provide that would serve to promote school administrative units that have the organizational characteristics that can be demonstrated to support high levels of student outcomes and efficient use of resources and to maintain school administrative units that are already exhibiting these organizational characteristics. These incentives may include, but are not limited to, receipt of higher amounts of general purpose aid for local schools and preferential treatment in determining eligibility for capital funds for school construction, renovation or transportation; and
4. Investigate any existing disincentives to forming regional collaboratives and identify strategies that may be applicable to removing or overcoming these disincentives.

In performing its duties, the study group shall review the findings and recommendations of other research, including but not limited to previous studies and reports by the Department of Education, the State Board of Education, and the Maine Education Policy Research Institute. The study group shall consider the recommendations contained in the preliminary and final reports of the task force on school governance convened by the State Board of Education at the request of the Joint Standing Committee on Education and Cultural Affairs during the First Regular Session of the 120th Legislature. The study group shall also consider the school governance recommendations contained in "Keeping Promises: Honoring Our Commitment to Educational Equity," the Final Report of the Committee to Study Organizational and Tax Issues in Public Schools, commonly referred to as the "Rosser Report," issued February 1995, including but not limited to the committee's recommendations regarding cooperative agreements, consolidation, school unions, school administrative unit cost-sharing and withdrawals from a school administrative unit; and be it further

Sec. 5. Report. Resolved: That the study group shall submit a preliminary report to the joint standing committee of the Legislature having jurisdiction over education matters by January 31, 2003 and a final report by January 20, 2004. The final report must summarize all findings and provide specific recommendations made pursuant to section 4 of this resolve, including any proposed legislation to implement these recommendations. Following receipt and review of the report, the joint standing committee of the Legislature having jurisdiction over education and cultural affairs matters may report out legislation related to the recommendations contained in the report to the Second Regular Session of the 121st Legislature; and be it further

Sec. 6. Staffing. Resolved: That staffing must be jointly provided by the State Board of Education and the Department of Education. The study group may request research and data analysis from the Executive Department, State Planning Office and the Maine Education Policy Research Institute.

Effective July 25, 2002, unless otherwise indicated.

*Office of the Revisor of Statutes
State House, Room 108
Augusta, Maine 04333*

MEMBERSHIP

<u>Position</u>	<u>Organization</u>	<u>Name</u>	
State Board	State Board of Education	*Joyce McPhetres	
Superintendent	Maine School Superintendents' Association	*Harvey Kelley	
Superintendent	Maine School Superintendents' Association	Bruce McGray	
School Board	Maine School Boards Association	Pat White	
School Board	Maine School Boards Association	Les LaFond	
Town Official	Maine Municipal Association	Mike Byron	
Town Manager	Maine Municipal Association	Ryan Pelletier	
Principal	Maine Principals' Association	Rick Colpitts	
Teacher	Maine Education Association	Linda Billings	Unable to participate
Citizen		Peter Geiger	
Citizen		Angela Faherty	
Margaret Chase Smith Center	University of Maine	Philip Trostel	Participated for only 3 meetings
Dept. of Education	Department of Education	Judy Lucarelli	Left State Service August 2003
Dept. of Education	Department of Education	Suzan Cameron	

*co-chairs

ABSTRACT

Abstract of Executive Summary

The School Administrative Unit Study Group in LD 2043, established by the 120th Legislature researched and reviewed studies and reports of the past 50 years on the effective organizational structures of schools. The “history of regionalization in the State” was studied in order to develop an understanding of the many attempts to provide adequate instructional opportunities for all students while also ensuring a high level of operational efficiency. All of the reports and investigations agreed that incentives to cooperate/consolidate must be developed. Quality assurances for students, faculty, and community must be delineated in programs and through the equitable allocation of resources. Local decision-making and policy development must be protected and honored.

Through the analysis of data on student achievement and school level funding it was concluded that while student achievement, in both large and small units, is steadily increasing, so are costs at a rate exceeding inflation. Small schools cost more and small school administrative units cost more if they operate schools. School unions are a more costly form of school governance.

It is recommended that all elementary and middle schools align with one high school for great effectiveness and efficiencies. Within five (5) years school unions must reorganize into districts. In order for the work of 50 years to be realized, Essential Program and Services and MEDMS (a system for reliable and consistent data) must be in place so that further understanding of incentives and disincentives can be developed. In addition, the State Board of Education with the Legislature must continue to identify legal and remove barriers to consolidation for school administrative units.

Prompt action is necessary to combat Maine demographic trends that will magnify already existing inefficiencies and the increasing inability of small units to afford a quality education our Maine students. Maine must encourage the development of new K-12 School District Organizations with the use of facilitators from the Department of Education who will be deployed around the state. Their mission is to build the new coalitions of citizens across existing district lines that develop action plans for collaboration, regionalization, and consolidation that create interdependent school districts while honoring local control in creating and sustaining the new structures.

School Administrative Unit Study Group

Final Report

The 120th Legislature established the School Administrative Unit Study Group in LD 2043. This resolve directs the Department of Education and the State Board of Education to convene a study group to develop recommendations for state actions to provide adequate instructional opportunities for all students to achieve the state's learning results while also ensuring a high level of operational efficiency. The commissioner and the state board appointed members to the study group with experience working with, or special knowledge of, one or more types of school administrative units or regional collaboratives. Included in the group are superintendents, school board members, municipal officers, a teacher, a principal, a Department of Education member, a State Board member, and two members of the public.

The study group is to:

1. Research the history of regionalization in the State by the formation of districts and participation in regional collaboratives, including but not limited to implementation of the Sinclair Act, Maine Revised Statutes, Title 20-A, Chapter 103, subchapters I and II. This history must consider demographic data of school administrative units and of regional collaboratives, their organizational structures and functions and how key decisions are made. The history must also characterize the instructional opportunities and operational efficiencies that are associated with different types of school units and regional collaboratives; investigate other research regarding school administrative units and regional collaboratives in other states and identify findings that may be applicable in the State.
2. Recommend incentives that the State could provide that would serve to promote school administrative units that have the organizational characteristics that can be demonstrated to support high levels of student outcomes and efficient use of resources and to maintain school administrative units that are already exhibiting these organizational characteristics. These incentives may include, but are not limited to, receipt of higher amounts of general purpose aid for local schools and preferential treatment in determining eligibility for capital funds for school construction, renovation or transportation; and investigate any existing disincentives to forming regional collaboratives, and identifying strategies that may be applicable to removing or overcoming these disincentives.

An interim report was delivered to the Joint Standing Committee on Education and Cultural Affairs in January of 2003. Charged with a clear goal of examining current School Administrative Organization in Maine to recommend state actions to provide 1) adequate instructional opportunities for all students to achieve the state's learning results, and 2) to suggest opportunities to increase operational efficiencies, a committee

of 11 people representing numerous organizations and schools convened in September 2002 to begin its work.

Mission

The Study Group's Mission is to recommend school administrative unit organization that ensures opportunities for student achievement and success while encouraging operational efficiencies. Components of the mission are as follows:

- Instructional opportunities:
 - Learning Results content areas as measured by the MEA
 - EPS ratios and service levels
- Organization structures and functions:
 - Governance structure
 - Cost comparisons, controlling for size
 - Conditions of facilities
 - Duplication of effort
 - Operational efficiencies

Methodology

As a foundation for the work of the group, members identified-and were assigned to review-past and current research, best practices in the field, and past study group reports and recommendations relating to School Administration Unit Organization (See Appendix 1). Reports were reviewed; a matrix highlighting recommendations of past studies was developed to ensure the work of previous groups was considered (see appendix).

- a. Four themes surfaced when reviewing the work of past study groups or Commissions. They provided a framework for the study group's further work and subsequent recommendations. All reports recommended:
 - Providing Incentives for cooperation or consolidation
 - Providing Quality enhancement including achievement of students, educational offerings, and teacher quality
 - Ensuring Adequacy of programs and resources
 - Honoring local policy development and decision-making
- b. Concurrent with a review of the literature, the committee received numerous presentations and data from the Department of Education on academic performance and costs. It also received articles on studies from David Silvernail on high-performing, moderate cost schools where only one (1) Union of 19 SAUs was high performing and moderate cost; and of those school administrative units

(SAUs) that were high performing and low cost, zero (0) were Unions. Additionally, Ray Poulin and Norm Higgins provided information on the SAD 31 Study (See Appendix).

c. Members of the study group determined that there were issues with the data currently available that made definitive analysis difficult. Specific issues are identified below:

1. Cost data is based on information by school administrative unit and not by school. However, student achievement data is based on school level information and not by school administrative unit. We were not able to correlate the two.
2. Longitudinal analysis was difficult because of the time required to develop reports.
3. Eleventh grade MEA data for a given school includes scores for students from the reporting unit as well as data from tuitioning school administrative units. It was not possible to disaggregate the data.
4. Socio-economic status does not disaggregate nor can it be controlled for in our analysis of student achievement data.
5. Some units are School Union units for K-6 and/or K-8 education and Community School Districts (CSDs) for 7-12 and/or 9-12 education. The study group had difficulty making certain that these units were consistently classified in different documents that we reviewed.
6. Classifying an expenditure as instructional or administrative is relatively loosely defined and inconsistent across school administrative units.
7. Data does not follow the individual student.

d. Limitations Based on Data Available

Educational Policy makers at the state level in Maine have recognized these difficulties previously and have funded the Maine Educational Data Management System (MEDMS) to allow more detailed and consistent analysis of the data that is collected from school systems. They have also committed to collecting additional data on student achievement and school level funding. As soon as MEDMS is able to provide the data, the Group believes that:

1. A long-term analysis of the cost of education by expenditure classification should be undertaken.
2. A longitudinal study of progress of students should be undertaken.
3. These studies should be correlated by type of governance structure and by expenditure at the school level.

The analysis of data, however, provided concrete information on the relationship between cost and unit size, which guided the recommendations of the study group.

Findings

Based on the application of the EPS model, the study group researched costs and achievement indicators and identified the following:

Costs Data:

- a. Costs are increasing steadily at a rate exceeding inflation.
- b. Small schools cost more and small school administrative units cost more if they operate schools.
- c. Small school administrative units that tuition a high proportion of their students may achieve cost savings due to sharing the efficiencies of the larger unit that they work with or due to the fact that the state artificially controls the amount that may be charged for tuition for students in grades 9-12.
- d. School unions are a more costly form of school governance.
- e. Downward population trends in Maine will continue to impact the financial capacity of existing school administrative units.
- f. The last 50 years of studies and reports (PIPE, The Maine Superintendents' Association, and the Rosser Report, etc.) recommended reorganization of Unions.

Achievement Indicators:

- a. Student achievement as measured by MEA is increasing in Maine.
- b. Achievement levels in large and small schools are not significantly different.
- c. Student achievement is not a function of school size.
- d. K-12 units or units that work exclusively with one K-12 structure are a more effective delivery system.

Recommendations

1. Given that K-12 districts provide efficient and effective school services, all elementary and middle schools should align with one high school.
2. School unions must reorganize into districts within five years; no new school unions will be approved.
3. In order for these recommendations to be carried out, incentives, disincentives, barriers, policies, and infrastructure needs must be identified by the legislature and the State Board of Education through other Tasks forces and Policy Development Initiatives. Prompt action is necessary to combat Maine demographic trends that will magnify already existing inefficiencies.

Conclusion

The study group concluded that while school size and unit size does not conclusively impact student achievement, school unions, small units, and small schools are more costly to operate. To provide maximum educational experiences for Maine Students in the most efficient manner possible, Maine must encourage the development of new K-12 School Districts. School Unions must reorganize. The capacity of the Department of Education must be increased to provide facilitators and assistance to school units to achieve study recommendations.

APPENDIX

1. List of All Reports Studied
2. Matrix
3. Cost Data
4. Achievement Indicators
5. Silvernail's Report

APPENDIX I – LIST OF ALL REPORTS STUDIED

Reports

“Keeping Promises: Honoring Our Commitment to Educational Equity.” Final Report of Committee to Study Organizational and Tax Issues in Public Schools.

“A Regional Community Teaching & Learning Together.” State Board Of Education Regionalization Committee.

“Equity & Adequacy in Funding to Improve Learning for All Children.” State Board of Education.

“Regional Cooperative Relationships Report.” Maine Education Policy Research Institute.

“A Vital Factor in Student Achievement.” State Board of Education.

“Summary of Regional Cooperative Relationships Report.” Peter L. White.

“Position Paper on School Consolidation.” Maine School Superintendents Association.

“Improving the Academic Performance of Elementary At-Risk Children: An Examination of Higher Performing Maine Schools.” Dawn M. McCarthy.

“School Reorganization and Public Education in the State of Maine.” Roland S. Barth.

“Average Number of Students per School Administrative Unit 2000-01.” Philip Trostel.

“School Administrative Unit Voting Procedures.” The State Board of Education School Governance Committee.

“High Expectations: A Ten-Year Goal Statement for Maine Public Education.” Policy Institute for Public Education.

“Washington County Education and Economic Development Alliance.” Governor Angus S. King.

“Composition of Types of School Districts.” Department of Education.

“Distribution of Schools by County and Superintendent Status.” Department of Education.

“Students Per School Administrative Unit in 200-01.” Phillip Trostel.

“Class of 2001 High School Completion.” Department of Education.

“SAU Financial Information 2002.” Department of Education.

“History of MEA Reading Scores of 2000-2001 State of Maine Title 1 Priority Schools.” Department of Education.

“School Construction Review and Approval Process. Design-Bid-Build Project Delivery Method.” Department of Education.

“MEA Performance Analysis by Type of School District Organization.” Department of Education.

“School Administrative Unit Study Group, Interim Report.” Study Group Report.

“Pupil Projections.” Department of Education.

Articles/ Studies:

“The Evolution of School Consolidation in Maine.” Susan K. Woodward

“Finance and Staffing Models for Selected, Hypothetical Consolidated Districts.” Jonathan A. Plucker, Walter G. McIntire, David W. Brown, and Dale Doughty.

“Improving the Academic Performance of Elementary At-Risk Children: An Examination of Higher Performing Schools.” Dawn M. McCarthy, David L. Silvernail.

“Selected School District Factors and Grade Eight Pupil Achievement in Maine.” Mr. Richard A. Moreau, Dr. Walter G. McIntire.

“Maine Middle School Co-Curricular Opportunities by Size.” Dr. Constance M. Perry.

“Co-Curricular and Extracurricular Opportunities and Participation in Maine Secondary Schools.” Dr. David Silvernail.

“Improving the Academic Performance of Elementary At-Risk Children: An Examination of Higher Performing Schools.” Dawn M, McCarthy & David L. Silvernail.

“Counting the Costs of Consolidation, and the Days.” Bruce Kyle

“Potential Cost Savings from School District Consolidation: A Case Study of New York.”

“Small, Rural Schools Face Uncertain Future Due to Predictions of Declining Enrollment.” Laura Kliewer.

“Dollars & Sense: The Cost Effectiveness of Small Schools.” Knowledge Work Foundation.

“Potential Efficiency Gains from Consolidations of Educational Resources in PV PILOT Communities.” Department of Economics & Margaret Chase Smith Center for Public Policy.

The Lighthouse Study: School Board/Superintendent Team Behaviors in School Districts with Extreme Differences in Student Achievement.” The Iowa Association of School Boards.

“Reduce Harmful Impact of Poverty on Student Achievement.”

“Using School-Community Partnerships to Bolster Student Learning.” WestEd Policy Brief.

“Research About School Size and School Performance in Impoverished Communities.” Craig Howley, Marty Strange, and Robert Bickel.

APPENDIX II – MATRIX

	Incentives Effectiveness/Efficiency	Quality of Education: Teachers/Educational Offerings/Achievements	Adequacy of Program and Resources	Honors Local Decision Making	Implementation Status/Actions under taken
Sinclair Act - 1957	Yes	Yes	Yes	Yes	Yes
	Provide a foundation program of State aid to all districts to replace GPA	Establish minimum teacher salary	Provide equal financial privileges for large urban areas not in SAD		Teachers need BA's
	Encourage consolidation to larger districts to provide more rounded education	Strengthen teacher preparation at 5 teacher colleges			Many SAD's formed
	Set SAD criteria - for # of students 9-12 (min. 300)				
	SAD's - Governed by single Board of Directors				
	SAD's that form in 3 years time and provide a K-12 program receive a 10% bonus				
	Encourage school construction projects involving consolidation				
	Recommends changes to funding formula	Potential to improve equity	Not Applicable	Yes	Median income factor in formula. Total funding amount inadequate
	Recommends funding property tax circuit breaker to provide tax relief	Potential to decrease opposition to education budget requests	Not Applicable	Yes	
Rosser Report -1995	Fund only Essential Programs and Services	Yes	Yes	Yes	In process. Cost will likely determine whether implemented
	Recommends governance changes at state and local levels	Potential to improve climate for school change	No	Redefines State and local Board and district/school administration responsibilities	Some statutes have changed; local practice has generally not
	Recommends increased research capability	Yes	Yes	Yes	A bright spot. Needs improved dissemination to local level

	Incentives Effectiveness/Efficiency	Quality of Education: Teachers/Educational Offerings/Achievements	Adequacy of Program and Resources	Honors Local Decision Making	Implementation Status/Actions Under Taken
	Recommends strengthening of education clause of Maine Constitution	Potential to substantially impact equity and ensure access to programs		Yes	Nothing accomplished yet
	Recommends incentives for construction projects involving consolidation		No	Yes	Rating incentive but no financial impact yet
	Recommends local contribution for all construction projects	"	Not Applicable	Yes	Not implemented
	Recommends state inventory of public school facilities	"	Yes	Yes	Survey completed - points to identify need - increase in debt service limit
	Recommends local capital improvement program	"	No	Not entirely	Facilities management plans required
	Recommends construction reserve and investment pool	"	No	Not Applicable	Revolving renovation loan fund
Regional Report -1997	No	Focus educational staff on education issues. Transfer operations to central unit	Regional support system used to provide operations	Yes. With modifications	Not implemented
			Delivers operations services. Combines units to promote efficiency	Educational issues remain at the local level or school level. The new central operations unit assumes control of support services	

	Incentives Effectiveness/Efficiency	Quality of Education: Teachers/Educational Offerings/Achievements	Adequacy of Program and Resources	Honors Local Decision Making	Implementation Status/Actions under taken
EPS – 1998	No	Yes	Yes	Yes	Yes
		Teacher preparation and staff development	Resources necessary to ensure each child can meet learning result standards	Funding available without any requirements as to how funds are spent except for: early childhood development, technology, student assessments	Legislative approval
			Financial model developed to ensure resources available to ensure services		EPS Funding Model presented to Legislature by Commissioner
	No	Yes	Yes	Yes	Yes
Governance Task Force - 2002	Raised question of whether type of school unit organization provides for better educational offerings and student achievement		Raised question of whether school unit organization provides for better educational offerings and student achievements	Critical to involve local boards and administration in ensuring student achievement	Report presented to the legislature in 2002; Title 20A Chapters 101 and 103 revised

APPENDIX III – Cost Analysis Charts

Per Pupil Cost Analysis by Type of School District Organization 2001-02 Attending Operating Expense

Prepared by Patrick Dow
10/8/2003

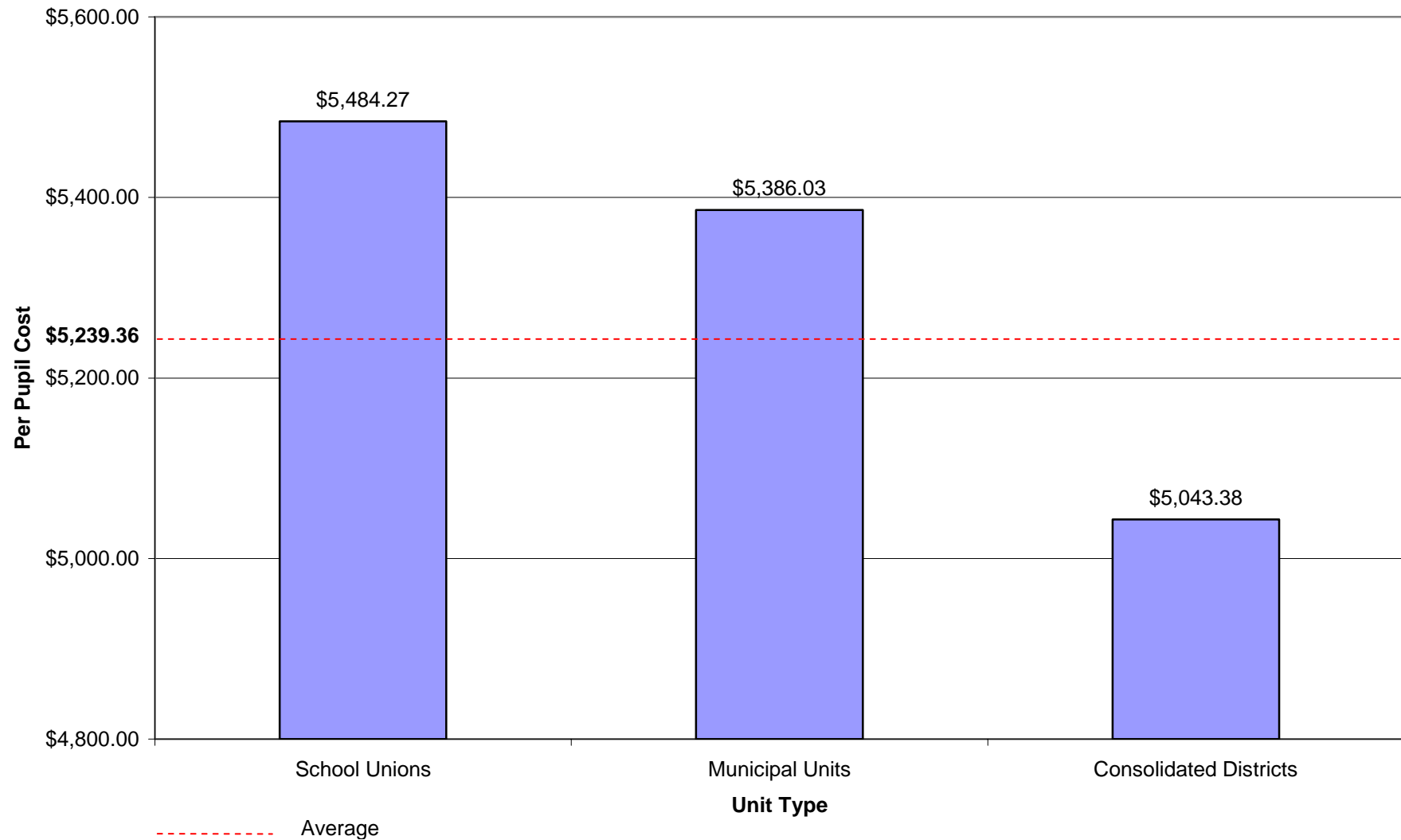
No. of PK-8 Units	Unit Type	No. of PK-8 Students	Average PK-8 Per Pupil Costs In Each Unit Type	Difference Relative To Consolidated Districts Per Pupil Costs		Difference Relative To Average Per Pupil Costs	
89	School Unions	20,973	\$5,484.27	\$441	9%	\$245	5%
47	Municipal Units	53,952	\$5,386.03	\$343	7%	\$147	3%
73	Consolidated Districts	66,589	\$5,043.38			-\$196	-4%
209	Average	141,515	\$5,239.36	\$196	4%		
No. of 9-12 units	Unit Type	No. of 9-12 # Students	Average 9-12 Per Pupil Costs In Each Unit Type	Difference Relative To Consolidated Districts Per Pupil Costs		Difference Relative To Average Per Pupil Costs	
17	School Unions	5,770	\$6,953.66	\$752	12%	\$610	10%
37	Municipal Units	24,348	\$6,357.36	\$155	3%	\$13	0%
60	Consolidated Districts	27,098	\$6,202.00			-\$142	-2%
114	Average	57,216	\$6,343.91	\$142	2%		
No. of PK-12 units	Unit Type	No. of PK-12 #Students	Average PK-12 Per Pupil Costs In Each Unit Type	Difference Relative To Consolidated Districts Per Pupil Costs		Difference Relative To Average Per Pupil Costs	
12	School Unions	8,515	\$6,286.78	\$674	12%	\$523	9%
37	Municipal Units	75,997	\$5,867.60	\$255	5%	\$104	2%
60	Consolidated Districts	87,810	\$5,613.02			-\$150	-3%
109	Average	172,322	\$5,763.36	\$150	3%		

Notes:

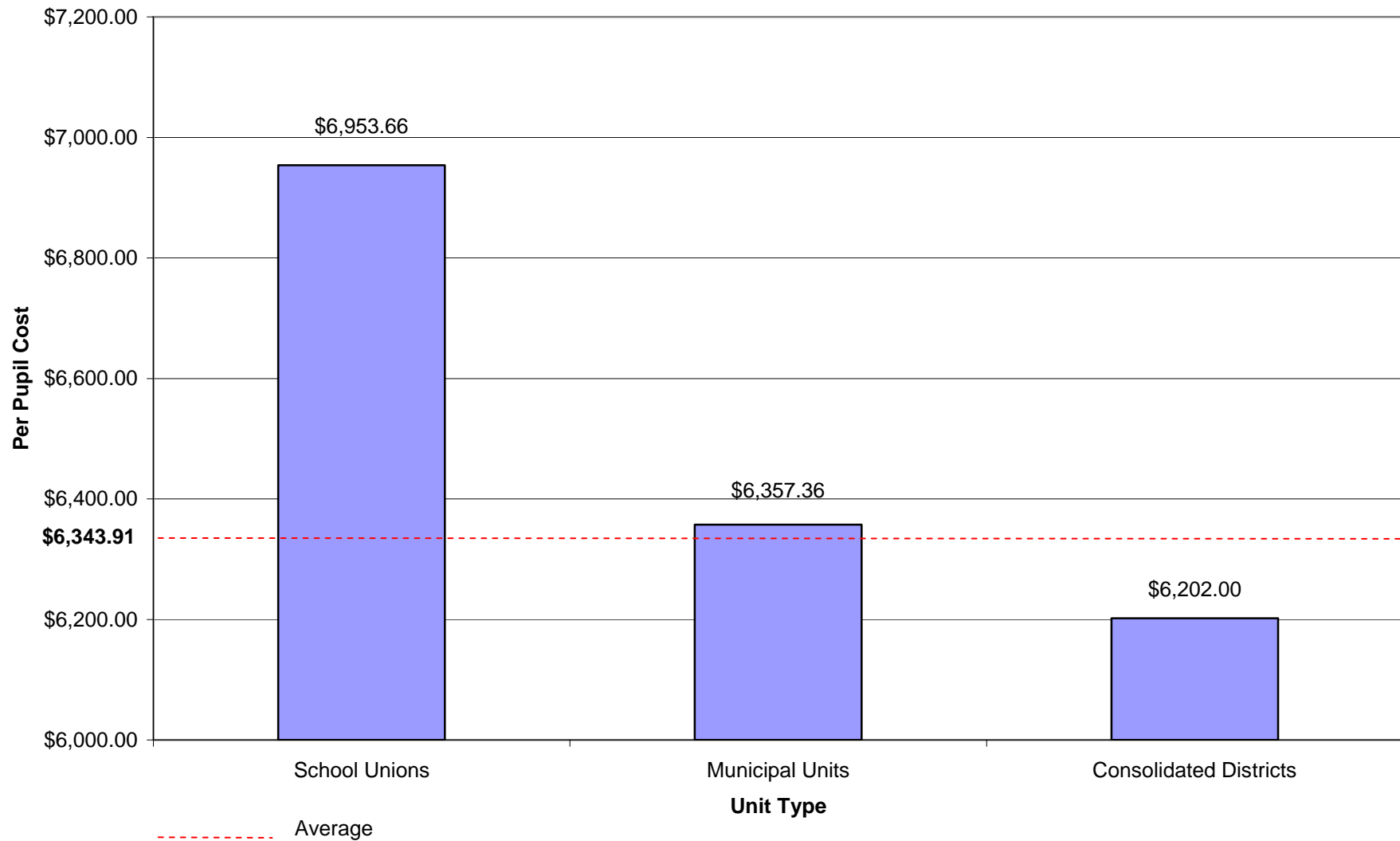
Maine Indian Education not included
Island schools not included
Units that do not operate schools not included
Secondary (9-12) CSDs not included in PK-12 figures

The Per Pupil Costs include all general fund costs reported in each School Administrative Unit's annual Financial Report of Public Schools (EF-M-45) except major capital outlay, debt service, vocational education, special education, transportation and federal expenditures. These cost are based on those students attending those school units that operate schools.

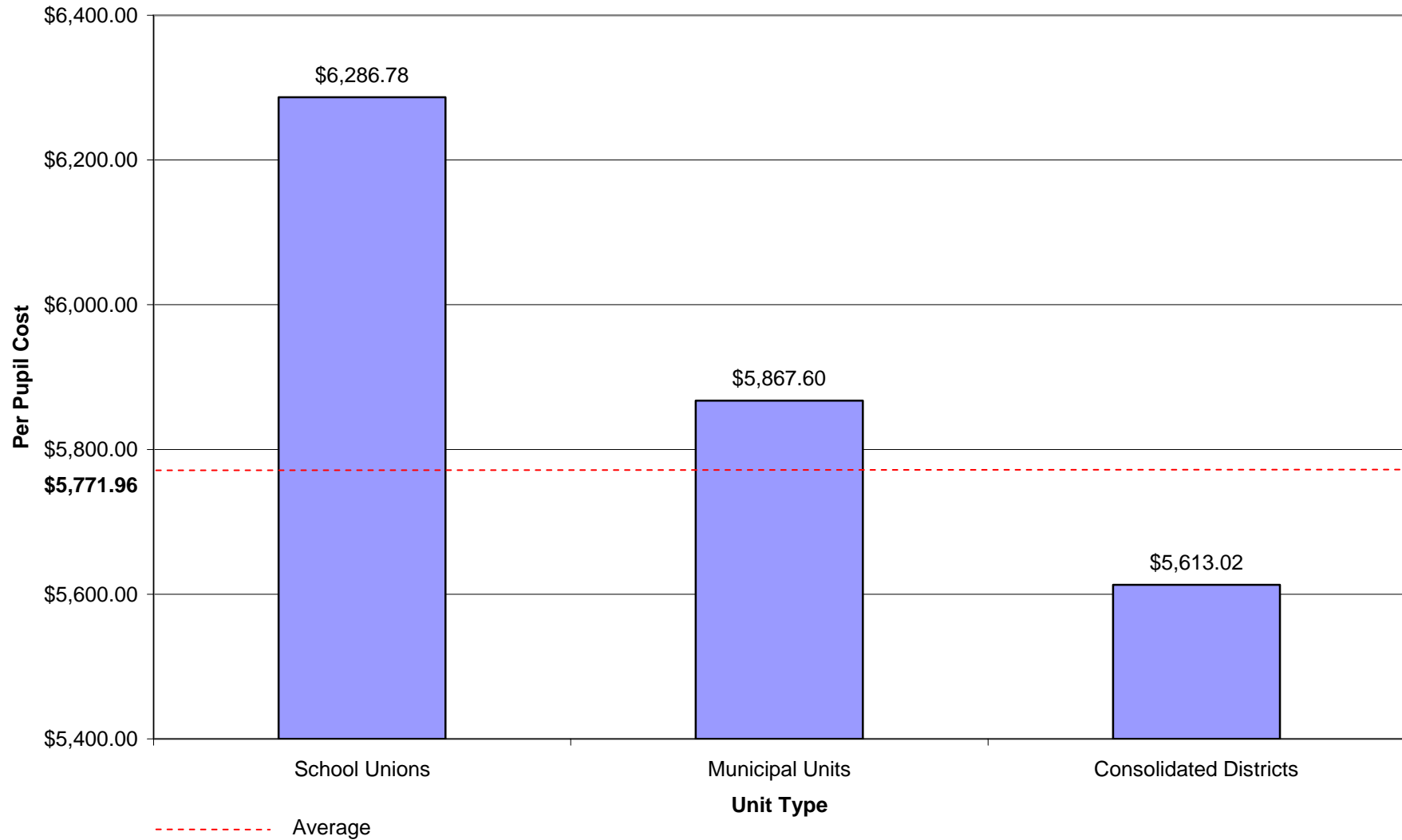
**2001-02 Elementary (PK-8) Attending Per Pupil Cost Analysis
By Type of School District Organization**



**2001-02 Secondary (9-12) Attending Per Pupil Cost Analysis
By Type of School District Organization**



**2001-02 Average PK-12 Attending Per Pupil Cost Analysis
By Type of School District Organization**



Per Pupil Cost Analysis by Size of Unit
2001-02 Attending Operating Expense

Prepared by P. Dow
10/8/2003

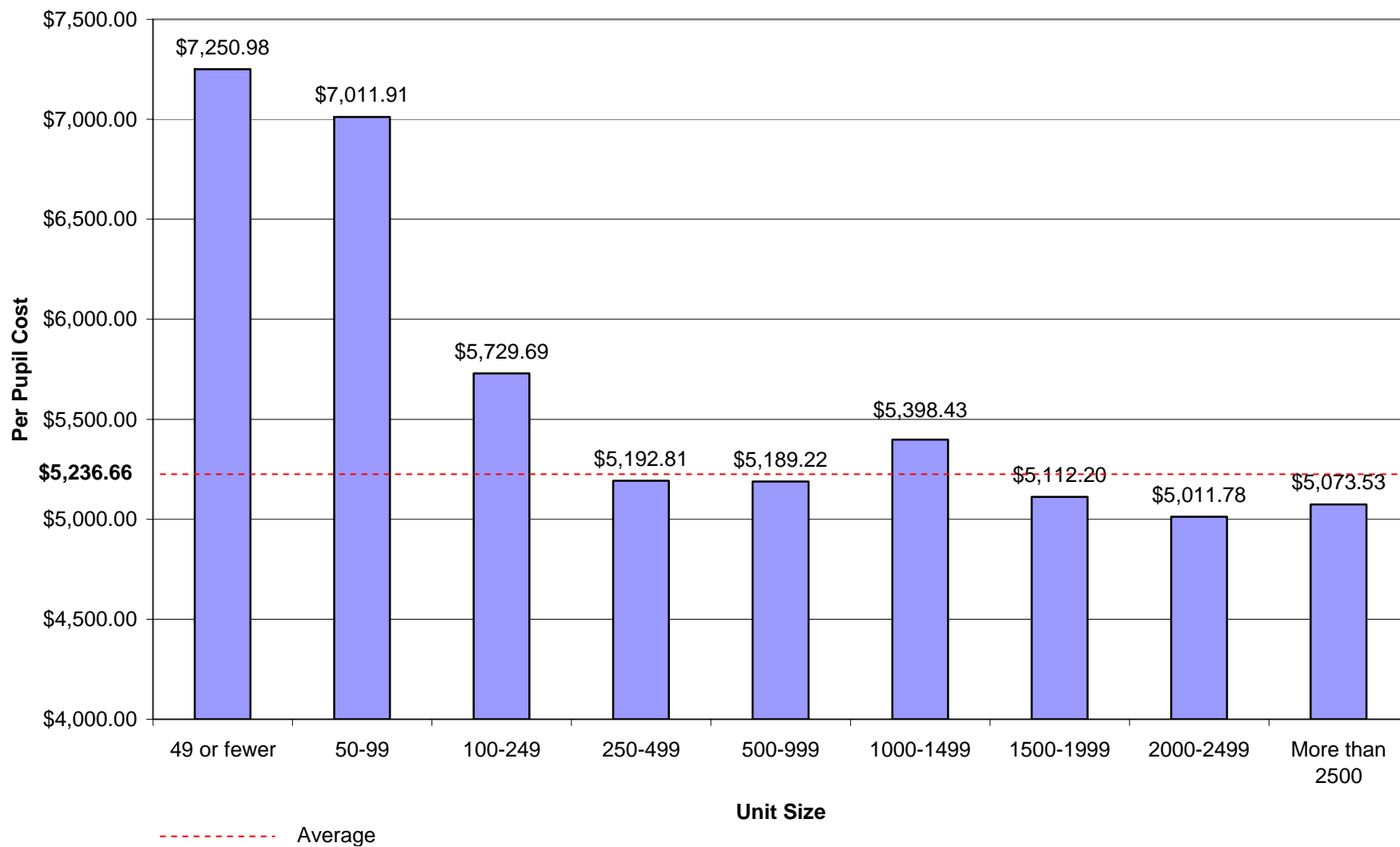
No. of PK-8 Units	Unit Size (No. of Students)	No. of PK-8 Students In Group	Average PK-8 Per Pupil Costs In Each Unit Type	Difference Relative To Lowest Cost Per Pupil		Difference Relative To Average Cost Per Pupil	
12	49 or fewer	387	\$7,250.98	\$2,239	45%	\$2,014	38%
19	50-99	1,452	\$7,011.91	\$2,000	40%	\$1,775	34%
52	100-249	9,209	\$5,729.69	\$718	14%	\$493	9%
32	250-499	11,392	\$5,192.81	\$181	4%	-\$44	-1%
48	500-999	33,429	\$5,189.22	\$177	4%	-\$47	-1%
16	1000-1499	19,963	\$5,398.43	\$387	8%	\$162	3%
15	1500-1999	26,157	\$5,112.20	\$100	2%	-\$124	-2%
8	2000-2499	17,736	\$5,011.78			-\$225	-4%
7	More than 2500	21,789	\$5,073.53	\$62	1%	-\$163	-3%
209	Average	141,515	\$5,236.66	\$225	4%		
No. of 9-12 units	Unit Size (No. of Students)	No. of 9-12 Students In Group	Average PK-8 Per Pupil Costs In Each Unit Type	Difference Relative To Lowest Cost Per Pupil		Difference Relative To Average Cost Per Pupil	
21	199 or fewer	2,554	\$7,610.90	\$1,828	32%	\$1,267	20%
32	200-349	9,208	\$6,884.93	\$1,102	19%	\$541	9%
15	350-499	6,737	\$6,866.79	\$1,083	19%	\$523	8%
15	500-699	9,107	\$6,515.09	\$732	13%	\$171	3%
19	700-999	14,882	\$5,963.76	\$180	3%	-\$380	-6%
11	1000-1499	12,359	\$5,783.31			-\$561	-9%
1	More than 1500	2,369	\$6,461.54	\$678	12%	\$118	2%
114	Average	57,216	\$6,343.91	\$561	10%		
No. of PK-12 Units	Unit Size (No. of Students)	No. of PK-12 Students In Group	Average PK-8 Per Pupil Costs In Each Unit Type	Difference Relative To Lowest Cost Per Pupil		Difference Relative To Average Cost Per Pupil	
19	499 or fewer	6,538	\$6,655.75	\$1,382	26%	\$892	15%
23	500-999	18,185	\$6,068.36	\$795	15%	\$305	5%
22	1000-1499	26,379	\$5,963.03	\$690	13%	\$200	3%
21	1500-2499	40,978	\$5,786.42	\$513	10%	\$23	0%
16	2500-3499	45,443	\$5,589.43	\$316	6%	-\$174	-3%
7	3500-4499	27,261	\$5,273.42			-\$490	-9%
1	4500 and above	7,539	\$6,520.83	\$1,247	24%	\$757	13%
109	Average	172,322	\$5,763.36	\$490	9%		

Notes:

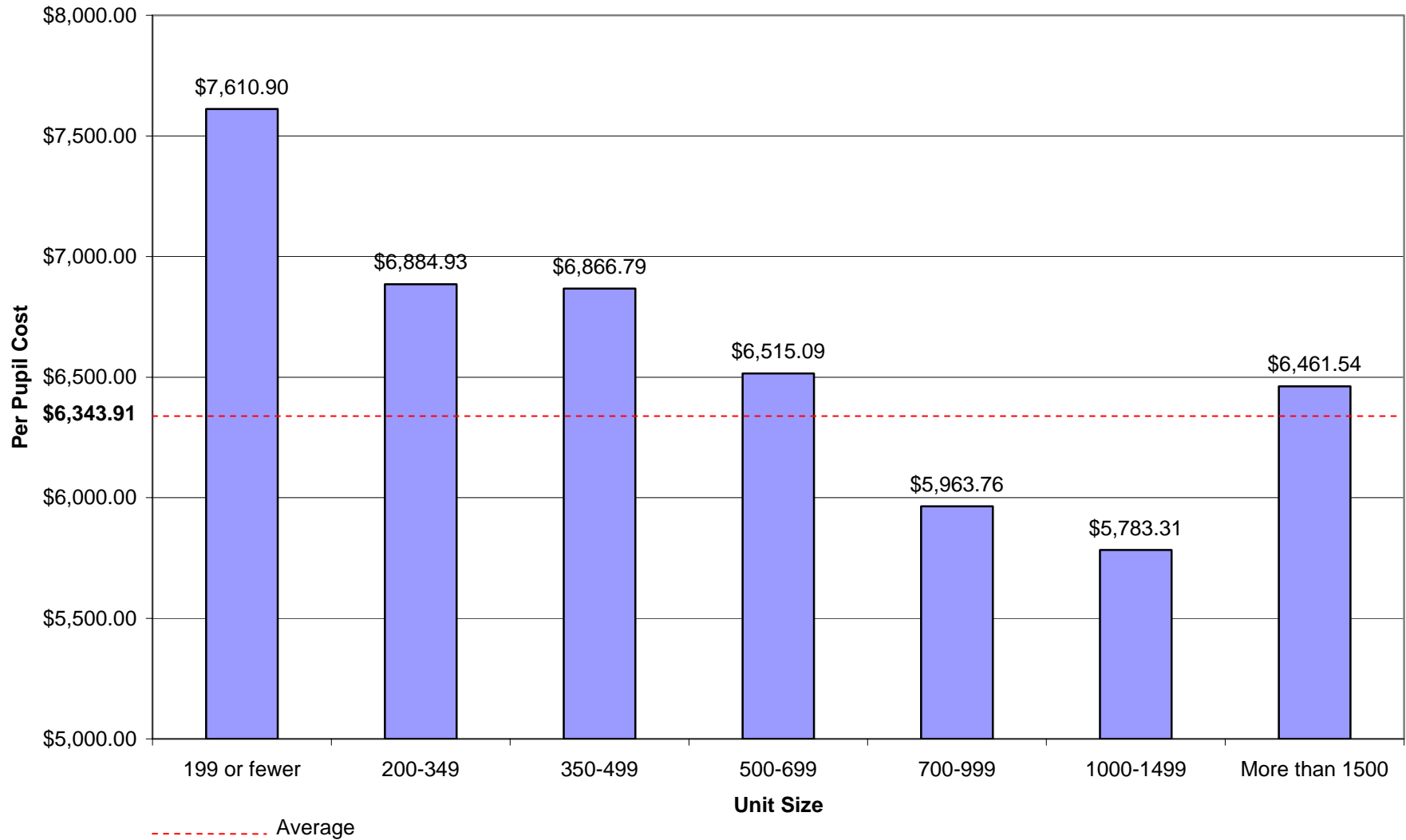
Maine Indian Education not included
Island schools not included
Units that do not operate schools not
Secondary (9-12) CSDs not included in PK-12 figures

The Per Pupil Costs include all general fund costs reported in each School Administrative Unit's annual Financial Report of Public Schools (EF-M-45) except major capital outlay, debt service, vocational education, special education, transportation and federal expenditures. These cost are based on those students attending those school units that operate schools.

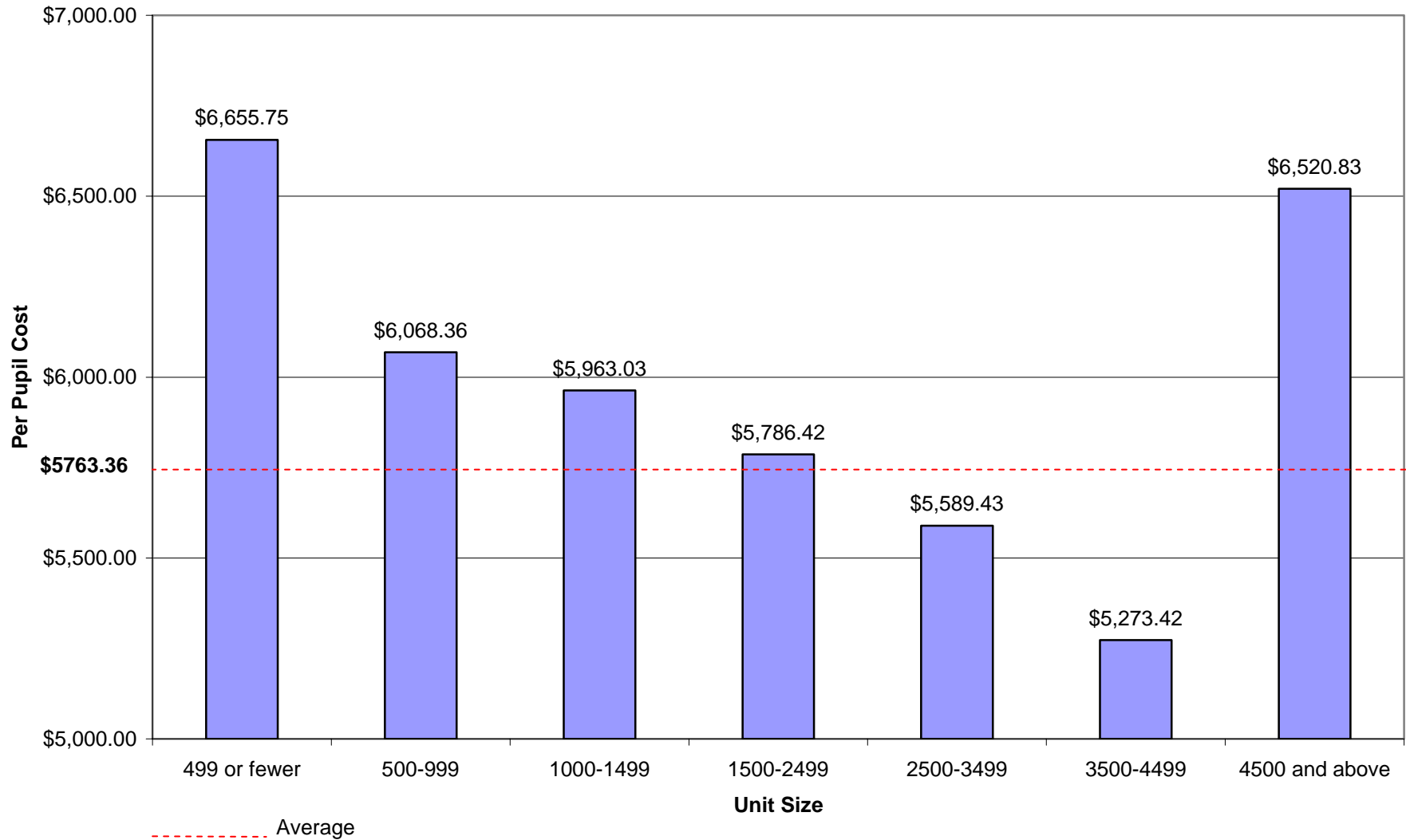
2001-02 Elementary (PK-8) Attending Per Pupil Cost Analysis By Size of District



**2001-02 Secondary (9-12) Attending Per Pupil Cost Analysis
By Size of District**



2001-02 Average PK-12 Attending Per Pupil Cost Analysis By Size of District



APPENDIX V

Some Observations about Higher Performing Maine School Districts

D.L. Silvernail

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- In 2000 a study examined higher performing Maine school districts. To qualify as a higher performing district:
 - A. MEA 3-year average performance had to be better than state average performance, and better than could be predicted given community and district demographics.
 - B. A majority of the schools within the district had to be meeting Criteria A.
- Nineteen (19) K-12 (or equivalent) districts met both Criteria A and B. That is, they were identified as higher performing school districts. Of those 19 districts:
 - 10 were Maine School Administrative Districts (MSADs)
 - 6 were single municipalities
 - 2 were Community School Districts
 - 1 was a Union district
- Within the 19 higher performing districts, seven were identified as also being moderate spending districts. A moderate spending district was defined as any district with a per pupil operating cost (excluding Program Costs) within \$100 of the state average per pupil operating costs. Of the 7 districts:
 - 5 were Maine School Administrative Districts MSADs
 - 2 were single municipalities
 - 0 were CSDs or Union districts

(Note: An examination of 10 lower performing moderate spending districts indicated 6 were MSAD's, 3 were Union Districts, and 1 was a CSD).

- An analysis of expenditures in the 19 higher performing school districts indicated they were spending a larger percent of their budgets on regular instructional categories and less on administration. This pattern of expenditures is still true today:

2001 - 02				
	State Average	HPHC	HPMC	LPMC
Regular Instruction	44.71%	47.99%	49.35%	36.55%
Administration	9.25%	9.75%	8.89%	12.48%

Some additional features of the higher performing school districts include:

1. Larger district size (in enrollment).
2. School boards set clear policies, and clear expectations for administrators.
3. School boards expect superintendent to manage school system.
4. School boards keep community focused on student achievement.
5. Superintendents are strong leaders.
6. Consensus building used at school level for reform initiatives.
7. District and schools data-driven, and use information in charting actions.
8. Districts and school have clear focus on helping all children learn.
9. Higher percent of teachers have earned masters degree.
10. Lower course failure and dropout rate.
11. All personnel are very dedicated, and all are valued.
12. Community support is both wide and deep.

APPENDIX VI

TYPES OF SCHOOL ADMINISTRATIVE UNITS IN MAINE

CITIES OR TOWNS WITH INDIVIDUAL SUPERVISION

A city or town with individual school supervision is a single municipality. A school committee administers the education of all grades in the city or town through a superintendent of schools. The city or town charter usually determines the method of budget approval. In many cities and towns, the City Council or Town Council has final budget approval. Since it is a single municipality, cost sharing is not a factor.

SCHOOL ADMINISTRATIVE DISTRICTS

A school administrative district (S.A.D.) is a combination of two or more municipalities who pool all their educational resources to educate all students. One school committee (comprised of representatives from each of the municipalities) administers the education of grades K-12 through a superintendent of schools. Budget approval is by majority vote of those present and voting at a district budget meeting. The member municipalities share the S.A.D. costs based on a formula which includes state valuation and/or number of pupils. NOTE: There are a few S.A.D.s comprised of one town because of unique situations.

COMMUNITY SCHOOL DISTRICTS

A community school district (C.S.D.) is a combination of two or more municipalities and/or districts formed to build, maintain, and operate a school building or buildings to educate any or all grades. For example, a C.S.D. may be formed to build and operate a grade 7-12 school for all towns in the C.S.D. These same towns will maintain individual control (or belong to a union) for the education of their K-6 students. A community school district may also include education of all grades K-12.

The C.S.D. school committee is comprised of members of each town's local school committee if one exists. C.S.D. school committees are apportioned according to the one person-one vote principle. The member municipalities share the C.S.D. costs, based on a formula including number of pupils in each town and/or state valuation or any combination of each. Community School District budgets are approved by majority vote of voters present and voting at a district budget meeting.

UNIONS OF TOWNS

A Union is a combination of two or more school administrative units joined together for the purpose of sharing the costs of a superintendent and the superintendent's office. Each member school administrative unit maintains its

own budget, has its own school board, and operated in every way as a separate unit except for the sharing of superintendent services.

In addition, a union school committee exists, comprised of representatives of each member unit school committee and conducts the business of the union. All votes of the union committee are cast on a weighted basis in proportion to the population of the towns involved.

MAINE INDIAN EDUCATION

There are three reservations of Indian children in Maine. These three reservations are organized exactly as a union of towns described on the previous page.

UNITS UNDER AGENT SUPERVISION

A unit agent supervision generally is a relatively small unit requiring less than full-time administration. Units under district superintendents procure services of superintendents on their own by negotiating with a nearby superintendent and school board. Agents are appointed by the commissioner on a temporary basis if the local unit is unable to locate a superintendent on its own.

TECHNOLOGY CENTER (19 Centers)

A technology center is a facility or program providing technical education to secondary students. A center is governed by a single school administrative unit. It may serve students from other affiliated school administrative units. It may include satellite center facilities and programs. A technology satellite program is a facility or program providing technical education to secondary students, which is administered by a school administrative unit affiliated with a technology center.

TECHNOLOGY REGION (8 Regions)

A technology region is a quasi-municipal corporation established by the Legislature for the delivery of technology programs which is comprised of all the school administrative units within the geographical boundaries set forth in 20-A MRSA, section 8451. A region is governed by a cooperative board formed and operating in accordance with 20-A MRSA, Chapter 313.

EDUCATION IN UNORGANIZED TERRITORY

Education in Maine's unorganized territory (E.U.T.) is a responsibility of the State. The education of territory children is accomplished by the state operating schools which are in unorganized townships and by the assignment of agent superintendents to assure that each child in an unorganized township receives education. These agents are assigned by the Commissioner of Education.